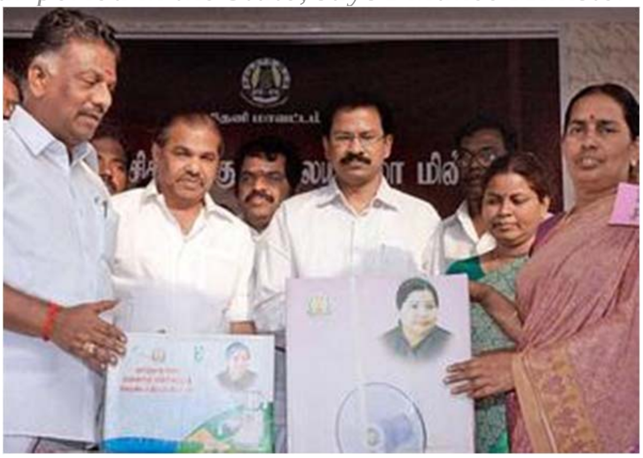
THE HINDU

SATURDAY, FEBRUARY 06, 2012

Seven lakh persons to get 28 lakh free goats

During a five-year period in the State, says Finance Minister O. Paneerselvam



Lucky:Finance Minister O. Pannerselvam giving away freebies at E. Pudupatti in Theni district on Sunday.PHOTO : G. KARTHIKEYAN.

: A total of seven lakh beneficiaries would get 28 lakh goats in the state in a five-year period, said Finance Minister O. Paneerselvam.

He was distributing free goats, mixies, grinders and fans to beneficiaries at Azhagarnaickenaptti and Endapulipudhupatti in Periakulam block near here on Sunday.

In Theni district, 43,293 beneficiaries will get free mixies, fans and grinders during the same period.

The district administration had distributed them to 3,478 beneficiaries in the district so far.

The main objective of offering cows and goats to the rural poor, mostly agriculture labourers, was to enhance their supplementary income, besides earnings through regular agriculture activities. It will certainly enhance their living standard and meet the emergency need of their family.

Distribution of free mixies and grinders will lessen the burden of women, he stated.

Free rice is distributed regularly to 1.8 crore ration cardholders in the state. Most of the government schemes were aimed at eradicating poverty and uplifting rural poor.

The state government has increased the grant for construction of houses meant for the poor, the Finance Minister pointed out.

In his special address, Collector K.S. Palanisamy said that the government was keen on making unskilled and semi-skilled youth into employable persons. Pudhu Vazhvu Thittam was the ideal tool to make rural women and youth employable.

Creating employment opportunities will ultimately improve rural economy. Such a measure will also prevent migration of rural people to urban areas.

Appeal

Dr. Palanisamy appealed to the people to avail themselves of all the schemes and improve their living standard.

The minister distributed free mixies, fans and grinders to 959 beneficiaries at Endapudhupulipatti, 28 goats to beneficiaries at Azhagarnaickenpatti, 77 goats at Kokilapuram and 142 goats at Aranmanaipudhur and mixies grinders and fans to 1,344 beneficiaries at Chinna Ovalapuram and 938 beneficiaries at Kottakudi on Kurangani hills in Bodi union.

Health insurance smartcard was also given to five beneficiaries at Kottakudi.

Action taken for selling free goats

: Action had been initiated against beneficiaries who sold the goats offered to them under the free goat and cattle distribution scheme within two years in the district here on Saturday.

In a release, Collector K. Nagarajan said that two beneficiaries in Pudhur panchayat in Thoppampatti panchayat union sold five goats, five beneficiaries at Anjukuzhipatti in Dindigul union sold 11 goats and 11 beneficiaries in Akkaraipatti panchayat in Athoor union had sold their 42 goats within the condition period of two years.

A special squad of veterinary officials found it during a raid in these villages recently.

The government had spent Rs.12,450 for purchase of goats, fodder, transport expenses and for insurance cover to the domestic animals.

The government also laid condition that the goats should not be sold for two years. Stern action would be initiated against those violating the guidelines of the government, he added.

Water release from Stanley reservoir stopped

Another irrigation year comes to an end for Delta districts

The sluices of Stanley reservoir in Mettur were shut at 6 p.m. on Sunday signalling the close of yet another irrigation year – a not-too-bad one for the Delta districts.

The Mettur Dam, which was opened on June 6, 2011, six days in advance to the customary opening date of June 12 and closed on February 5, 2012 against its normal closing date of January 28, for any irrigation year, had received 196.492 tmcft of water against the stipulated allocation of 221.886 tmcft from its neighbour state of Karnataka.

The deficit of 2.682 tmc was insignificant, said Public Works Department (PWD) officials at the dam site.

“The irrigation year was good and encountered no hitches. Besides the catchment areas of the reservoir also experienced healthy rains during monsoons,” said a senior official.

When the dam was closed at 6 p.m. on Sunday, its water level stood at 83.33 feet with a live storage of 45.357 tmcft. The inflow was a meagre 738 cusecs.

When the dam was opened for the season on June 6 last, its water level stood at 116.010 feet with storage of 84.247 tmcft.

When dam was closed, water level stood at 83.33 feet with live storage of 45.357 tmcft

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Farmers advised to cultivate flood tolerant paddy variety

Can withstand submergence for 14 to 17 days; gives 3 tonne yield per acre

Krishi Vigyan Kendra (KVK) at Needamangalam in Tiruvarur district has suggested to farmers to raise ‘Swarna Sub1', a flood tolerant variety in the flood prone areas of the district.

Performance of the variety was demonstrated at a field day held at Thiruvalanchuzhi village of Thiruthuraipoondi block recently.

In Tiruvarur district, 20,000 to 30,000 hectares are flood prone during samba season due to North East Monsoon.

In order to address this problem, KVK, Needamangalam in collaboration with Department of Rice, Tamil Nadu Agriculture University (TNAU), Coimbatore, has introduced a flood tolerant variety called "Swarna Sub1", in the last samba season.

An awareness programme was organised in last July 2011 in which 54 farmers from Thiruthuraipoondi, Muthupettai and Kottur blocks and 62 line department officials participated. Farmers were given eight kg of seeds each free of cost to popularise the variety.

Recently on February 1, 2012, with a view to make other farmers witness the performance of "Swarna Sub1" cultivated during samba 2011, the field day was organised. T.Satymurthy and Natesan, assistant directors of agriculture, Nannilam and Thiruthuraipoondi respectively, took part. They appreciated the KVK for popularising the variety among farmers.

T.Senguttuvan, programme coordinator, KVK, Needamangalam, said that the variety was developed by International Rice Research Institute, Philippines, in collaboration with institutions in India through normal, conventional breeding methods from a variety called "Swarna" released by N.G.Ranga, Andhra Pradesh Agriculture University, Hyderabad.

The variety carrying submergence tolerant gene can withstand continuous submergence for 14 to 17 days and give high yield up to three tonnes per acre.

The duration of the variety is 140 to 150 days and can be cultivated in the late samba and early thaladi seasons in flood prone areas . During the field day, a test harvest was made and an average of 2350 kg per acre was recorded. Fifty one farmers participated in the field day. S.Ananthakrishnaveni, assistant professor, Agronomy, KVK, Needamangalam, and others participated, said a KVK release issued here on Sunday.

- ***Variety developed by International Rice Research Institute in collaboration with institutions in India***
- ***20,000 to 30,000 ha in Tiruvarur flood prone during samba season due to North East Monsoon***

Mettur level

The water level at the Mettur Dam stood at 83.33 feet on Sunday against its full level of 120 feet. The inflow was 695 cusecs and the discharge 4,555 cusecs.

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hindustantimes

Mon,06 Feb 2012

weather

Chennai - INDIA

Today's Weather

Partly Cloudy

Monday, Feb 6

Max Min

30.4°|20.4°

Rain: 00 mm in 24hrs

Sunrise: 6:35

Humidity: 89%

Sunset: 18:03

Wind: Normal

Barometer: 1015

Tomorrow's Forecast

Cloudy

Tuesday, Feb 7

Max Min

28° | 21°

Extended Forecast for a week

Wednesday	Thursday	Friday	Saturday	Sunday
Feb 8	**Feb 9**	**Feb 10**	**Feb 11**	**Feb 12**
28º | 21º	**28º | 21º**	**28º | 20º**	**26º | 18º**	**27º | 17º**
Cloudy	Cloudy	Cloudy	Cloudy	Cloudy

Airport Weather

Delhi **Delhi**

Rain: 00 mm in 24hrs **Sunrise:** 7:14

Humidity: 94% **Sunset:** 17:48

Wind: Normal **Barometer:** 1017

Scrap onion MEP has marginally increased India's outbound shipments

NEW DELHI: Lowering of the minimum export pricefor onions to $150 a tonne recently has marginally increased India's outbound shipments of the kitchen staple, but traders feel the government should do away with the MEP completely to help the country hold sway in global markets.

"Reduction of export price to $150 per tonne has made Indian bulb competitive in the international market. Onion export from India has increased by about 10 per cent after this," Agriculture Export Association, Mumbai, President Ajit Shah told PTI.

He said exports would further gain momentum when the markets of China and Singapore open after closure for the New Year.

R P Gupta, Director of the National Horticultural Research Development Foundation (NHRDF), an arm of the Indian Council of Agricultural Research (ICAR), echoed similar views.

Cotton prices may stay firm with enquiries from China

AHMEDABAD: Cotton prices are expected to remain firm with enquiries coming from China. Prices have increased by 10% in the past few days to a range between Rs 36,500 and Rs 37,000 for a candy of 356 kg for the Shankar 6 variety. On the National Commodity and Derivatives Exchange, the April contract gained by 3.6% to Rs 888 for 20 kg.

"Cotton prices will remain firm and might see upward and downward movement by 2-5%. Even as international prices fell, Indian prices remained firm owing to a stronger rupee," said Cotton Association of India, vice president Nayan C Mirani.

He said good quality cotton with a micronaire value of 3.5 to 4.9 would fetch better prices compared to cotton with lower micronaire value. Micronaire value defines the fineness of cotton and its suitability for spinning high-count yarn. "This year, quality is a major problem and very stark compared to the previous years. Initially, the problem was limited to Maharashtra but has now been seen across Madhya Pradesh and Gujarat," he said. The low micronaire cotton would sell at a discount of 8-10% to quality cotton.

Ginners and traders in Gujarat said farmers were bringing cotton to mandis at a measured pace. "Farmers have the holding capcity and have become wiser in the past one year and they know what to sell when," said Saurashtra Ginners Association secretary Anand Popat.

The strengthening of the rupee against the dollar has, however, hit Indian exporters. "There are sporadic enquiries from China .They are looking at signing contracts in the range of 95 to 96 cents a pound whereas our Far-east price is a dollar a pound," said Mirani.

Short-term outlook for natural rubber bullish

Growers Hold Stocks in Anticipation of Better Prices

Natural rubber prices have stayed short of the psychological mark of Rs 200 per kg this year mirroring the sluggish sentiment in the global market. However, the short-term outlook seems bullish.

Tapping has been consistent in the last two months and production has seen a spurt. But it is expected to slow down towards the end of this month as cold weather recedes. Till December 2011, production has risen 4.3% at 6,79,100 tonne. But traders say the market is still short of rubber as growers hold stocks in anticipation of better prices.

Prices Remain Tepid Due to Subdued Demand

After having gone up to Rs 240 last year, Indian rubber prices started 2012 at Rs 195 per kg following a global slump. Subdued domestic demand has not helped the industry either. The price has now slipped to Rs 188 per kg. Predictably, growers are not willing to sell below Rs 200. Slightly bullish trend prevails in the futures contracts, giving hope to growers.

Lean Production Season May Result in Positive Impact

Demand from the automobile market has improved from the last month onwards, though it is yet to reach full throttle. Industry sources say the current demand is better than November and December when passenger car tyre sales had been slow.

But the recent encouraging performance by major car companies has brought relief to the industry. A lean season in rubber production could coincide with a revival in demand in the coming months, leading to a positive impact on prices.

Tyre Makers Seek Imports as Input Costs Rise

Taking advantage of the lower price in the international market, tyre companies went for heavy imports in the last few months. They have completed the 40,000-tonne import quota allowed by the government at a reduced duty.

Tyre makers have sought sanction for a duty-free import of 1 lakh tonne from the government, considering the rise in input costs. Exports till December 31, 2011 stood at 22,472 tonne, up by over 200% over the same period in the previous year. Exports have slowed down considerably in the last 2-3 months with a meltdown in global prices.

Near-month Contracts in Tokyo on Upward Trend

The buying of 2 lakh tonne from growers by Thailand, the largest producer and exporter of rubber, late last month has failed to stop the slide in prices as the global demand continues to be weak with a grim economic situation prevailing in European countries. But the near-month contracts in rubber futures in Tokyo Commodity Exchange are on an upward trend indicating better prices in future.

Business Standard
Live Markets

'Sugar supply may outpace demand by 8 mn tonnes'

Bloomberg / London Feb 05, 2012, 00:43

Sugar supplies may outpace demand by as much as 8 million tonnes next season, a second consecutive year of surplus, according to Singapore-based trader Olam International Ltd. Production will be 6 million to 8 million tonnes higher than consumption in the 2012-13 season starting in October, after a surplus of 9 million tonnes in 2011-12, Piero Carello, general manager of the company's sugar division in Europe, and John Stansfield, a senior analyst, said in an interview in Dubai on Saturday before the opening of an annual sugar conference organized by Kingsman SA, a broker and researcher.

The cane crop in Brazil's Center South, the main growing region of the world's biggest producer, will climb to 520 million tonnes in 2012-13, they said. That compares with 492.7 million tonnes in the current season, data from industry group Unica show. Harvesting of the 2012-13 crop in Brazil starts in April. In most countries, the season begins in October. India's production will rise by one million tonnes to 27 million tonnes in 2012-13, they said.

Single-cup coffee sales seen growing

Reuters / New York/ Bangalore Feb 05, 2012, 00:46

Sara Lee Corp Executive Chairman Jan Bennink thinks it is time for his company to reinvest in the single-serve coffee market.

Back in 2001, when it teamed up with Philips to launch the Senseo machines that brew single cups of coffee in seconds, it was a pioneer of that market.

But in recent years it let that business languish, especially in the United States, allowing Green Mountain Coffee Roasters Inc and its Keurig machine to become the dominant player there.

"Our Senseo machine is a very unsexy machine," Bennink told Reuters in an interview on Thursday. "If I talk to my daughter and ask her if she wants a free Senseo machine, she says 'No thank you, Pop.'"

"That's a very simple answer you get from the youth — they don't want to be associated with Senseo. That will change."

Sara Lee, which reported better-than-expected quarterly profit on Thursday, will discontinue Senseo in North America as of March 31, except on select websites. But at the same time, it is working to make the machine more appealing, especially for young people, to tap growth overseas.

Sara Lee is one of many companies including Nestle, Kraft, Green Mountain, Starbucks and privately held Mars looking to tap the growth of single-cup coffee. While increased competition has some bears worried about the sustainability of current profit margins, bulls point to consumers' growing desire for convenience and high-quality coffee at home.

The company last week announced that it took full control of its Senseo business by buying out partner Philips. Bennink said that was a bet on single-serve machines but also machines that grind fresh beans, another area of growth.

Palm oil may test resistance, fall

Malaysian palm oil futures on Bursa Malaysia Derivatives exchange ended higher on Friday, reversing earlier losses caused by a strong ringgit that will result in lower realisation for refiners. Slowing demand and a strengthening currency continues to pressure crude palm oil futures. On the demand side, Malaysian palm oil exports for January eased close to 12 per cent and 13 per cent, according to cargo surveyors Intertek Testing Services and Societe Generale de Surveillance.

The decline was also a result of the shift in orders to Indonesia, which slashed export taxes for processed oils. Upbeat global manufacturing data from the US, China and Germany however helped to ease worries on slowing growth.

CPO April futures are consolidating in a broad range now. As mentioned in the previous update, an unexpected decline below 3,065 Malaysian ringgit (MYR) a tonne could turn the picture weak once again. Such a fall could take prices lower again towards 2,965-70 MYR/tonne, from where prices can bounce higher again. This is our favoured view now. Near-term support is seen at 3,015 MYR/tonne. While resistances at 3,135-45 MYR/tonne caps upside attempts, we can expect prices to ease lower to above mentioned levels. Only a direct rise above 3,175 MYR/tonne could change the picture to bullish again reviving hopes of a test of 3,350 MYR/tonne in the coming months. We believe the impulse that began from 1,427 MYR/tonne, which hit 4,486 MYR/tonne ended and a prolonged corrective move has possibly ended at 1,335 MYR/tonne. In the big picture, a new impulse began from 1,335 MYR/tonne and the third wave with a projected objective of 3,900 MYR/tonne has been met. A corrective wave “B” has met one potential target near 3,465 MYR/tonne. A wave “C” kind of a decline ended at 2,755 MYR/tonne itself. A possible new impulse has begun now with immediate targets in the 3,350-65 MYR/tonne range. RSI is in the neutral zone now indicating that it is neither overbought nor oversold. The averages in MACD have gone below the zero line of the indicator indicating a bearish reversal. Only a cross-over again above the zero line again could hint at resumption in up trend.

Therefore, look for palm oil futures to test the resistances and then fall lower subsequently.

Supports are at MYR 3,045, 3,010 and 2,975. Resistances are at MYR 3145, 3,185 and 3275.

Gnanasekaar .T

(The author is the Director of Commtrendz Research and also in the advisory panel of Multi Commodity Exchange of India Ltd (MCX). The views expressed in this column are his own and not that of MCX. This analysis is based on the historical price movements and there is risk of loss in trading. He can be reached at gnanasekar_thiagarajan@yahoo.com.)

(This article was published in the Business Line print edition dated February 5, 2012)

Indian agriculture unsustainable due to water crisis: Sachs

New Delhi, Feb. 4:

India and China will be at the centre of the global sustainable development agenda, Prof Jeffrey D. Sachs, Director, The Earth Institute, Columbia University and Special Advisor to the Secretary-General, United Nations, said here on Saturday. He was interacting with the media along with Dr R.K Pachauri, Director-General, TERI, at the Delhi Sustainable Development Summit.

Prof Sachs said: “I don't think the agenda on development should be pushed any more to the side. Asia, meaning India and China will be at the centre of this drama, given the rapid growth in the economy, the central role that India and China play in technological growth and the sheer size of the population, almost 40 per cent of world population.”

Prof. Jeffrey D. Sachs (file photo)

Prof Sachs said Indian agriculture was not sustainable because of the water crisis. “Farming methods need to be changed, particularly in Green revolution areas such as Haryana and Punjab, where the water tables have fallen”, he said, and added that attention should now move to the North-East, where water tables are high.

On the high cost clean technology, Prof Sachs said not all technology was expensive. He said regulatory and market concerns were impeding the growth of cheaper technology. He added that markets were too short-term and did not reflect the concerns of future generations, but there were ‘powerful vested interests' in markets.

Earlier, Prof Sachs said while information technology would play a big role in sustainable development, “one must be mindful of its application for purposes such as manipulation of public opinion”.

He said the key for achieving sustainable development objectives would lie in strengthening public institutions, attracting private-led technology and provision of public financing for underlying science.

aditi.n@thehindu.co.in

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Mixed trend in rubber

OUR CORRESPONDENT

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Kottayam, Feb. 4:

Spot rubber saw a mixed trend on Saturday. The market was comparatively inactive during the weekend session but selected counters made marginal gains on covering purchases. In futures, the February series increased to Rs 191.45 (190.30), March to Rs 194.36 (193.51), April to Rs

201.20 (200.43), May to Rs 204.90 (202.90) and July to Rs 206 (205.90) a kg for RSS 4 on the National Multi Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 188 (187); RSS-5: 183.50 (183); ungraded: 179 (179); ISNR 20: 187 (187) and latex 60 per cent: 120.50 (120.50).

(This article was published in the Business Line print edition dated February 5, 2012)

Oil prices mixed in Asian trade

SINGAPORE, FEB. 6:

Crude prices were mixed in Asian trade today as traders weighed possible supply disruptions in West Asia and Africa, and the unresolved debt crisis in Greece, analysts said.

New York's main contract, West Texas Intermediate crude for delivery in March, was down 56 cents at $97.28 a barrel in morning trade.

Brent North Sea crude for March delivery gained 25 cents to $114.83.

"Oil prices remain affected by strong bullish and bearish factors," said Mr Ken Hasegawa, energy desk manager at Newedge brokerage in Japan.

While concerns over a supply disruption in Africa and Iran remained strong, prices were being weighed down by the dragging talks on Greek sovereign debt, Mr Hasegawa said.

Athens has been in talks with the European Union, the International Monetary Fund and the European Central Bank on further action needed to unlock a new eurozone rescue deal worth €130 billion ($171 billion) pending since October, but no agreement has been reached yet.

Pressure is also high for an agreement with private lenders to wipe out part of the €350-billion Greek debt, as Athens faces loan repayments of €14.4 billion euros ($19 billion) on March 20.

Traders were also closely monitoring the situation in West Asia, as tensions between Iran and the West remain high, analysts said.

Pepper market sees high volatility

KOCHI, FEB. 5:

As usual the pepper market last week witnessed high volatility, not moving according to the market fundamentals. When there was increase in open interest prices fell sharply and when there was heavy liquidation, prices shot up. Even when underground trading of spot pepper in good quantity was taking place, the market declined.

Investors sold farm grade, validity expired and valid stocks all held by them at Feb trading price in the past few days, market sources told *Business Line*.

Normally, harvesting of pepper in Kerala reaches its full swing from late Dec and hence arrivals also surge. But, this season, arrivals, so far, has been very thin. Reports of tight supply scenario from Brazil coupled with firm trend in Vietnamese market have, to some extent, aided the bullish sentiments at the weekend. All these factors helped the market to move up despite limited activities and substantial decline in the overall open interest on Friday.

Investors continued to liquidate their stocks, while inter-state dealers and some exporters having commitments were covering at Feb delivery price.

February 20 being a holiday on account of Sivarathri and 19 being Sunday, the placing for Feb delivery will take place on February 17 and hence those holding speculative long positions were liquidating and it had been in substantial quantity.

February, March and April decreased by Rs 955, Rs 850 and Rs 855 respectively to last trading price (LTP) of Rs 30,250, Rs 30,330 and Rs 30,400 a quintal.

Total turnover increased by 4,515 tonnes to close at 24,304 tonnes. Total open interest fell by 1,528 tonnes to close at 8,225 tonnes. Spot prices fell by Rs 500 in tandem with the futures market trend and closed on Saturday at Rs 30,000 (ungarbled) and Rs 31,500 a quintal

In fact, according to an overseas report, the opening days of February was on the quiet side. The market actually decreased by about $ 400-500 a tonne over the weekend of January 21. Since then, market has stabilised and trading remains within a very tight range. “Confusion rages on in India. On one hand, there is the exchange which is ruled by manipulation and sentiment versus the actual physical /spot market. The farmers in Karnataka have not started harvest in earnest and what has been picked is not coming to market. In Kerala/Tamil Nadu areas, there too, farmers are holding back as the crop is trickling into farmers' hands. The South India extractors have bought reportedly about 2,000 tonnes of “green” pepper. They are also looking to buy “light berries” from Indonesia at higher levels than quoted for Indonesian “ASTA” grade Furthermore, the northern Indian domestic market is stirring, looking for physical pepper and most traders expect demand to increase further during this month,” it said.

Vietnam is showing some downward pricing though ever so slightly. Indonesia and Brazil remain steady. White pepper is showing no movement though reports from Indonesia indicate tightness of supply, it said.

From August to December, Brazil exported nearly 20,000 tonnes, almost 4,000 tonnes in December out of a total crop estimated at around 28,000–30,.000 tonnes by exporters for 2011. The US imported around 13,000 tonnes, Germany over 5,000 and Mexico for instance imported a bit over 2, tonnes. IPC estimation is at 35,000 tonnes in 2011.

Prices fall despite lower arrivals at Kochi tea auction

KOCHI, FEB. 5:

Despite lower arrivals, prices continued to fall at the Kochi dust tea auction. There was 10,56,000 kg of dust and 2,21,500 kg of leaf tea on offer. Prices of high prices CTC dust were irregular and quoted lower at the auction. Medium grades were barely steady and tended lower. Bottom of the market remained firm to dearer. Good liquoring grades were absorbed by AVT, Tata Global and Kerala State Civil Supplies Corporation. Loose tea traders remained subdued. Hindustan Unilever was very selective and confined itself to medium and plain grades. Upcountry buyers were also less active. Exporter became active at bottom levels. Very small quantity was on offer at the orthodox dust auction where there were heavy withdrawals as the prices quoted low.

LEAF AUCTION

Good high grown grades were firm to steady while others remained irregular and tended low at the orthodox leaf auction. Medium bolder broken and tippy grades were fully firm to dearer. Medium BOPF grades moved up in value. Traditional exporters to CIS countries were active. HUL was active on whole leaf and bolder broken grades. Fannings were absorbed by tea bag industry and exporters. There was good demand at the CTC leaf auction where bulk of the offerings was absorbed by HUL, AVT and upcountry buyers. Exporters became active at lower levels.

TOP PRICES

Pasuparai SFD fetched the top price at the dust auction at Rs 120 followed by Injipara SFD, SRD and RD at Rs 119. At the leaf auction Pascoe's green tea fetched the top price at Rs 266 followed by Chamraj FOP, Chamraj OP and Havukal OP at Rs 202.

Rubber consumption, production may rise 4% in FY’13

NEW DELHI, FEB 5:

India’s consumption of natural rubber is projected to rise by 4 per cent to 10.06 lakh tonne in the next financial year, according to the Rubber Board.

The production of the commodity in the country is also expected to increase by 4 per cent to 9.42 lakh tonne during the 2012-13 fiscal, Rubber Board Chairman Ms Sheela Thomas said in a statement.

According to the Board’s estimates, India will produce 9.02 lakh tonne rubber this fiscal, while consumption of the commodity is estimated at 9.66 lakh tonne.

Although, the board expects production-consumption deficit of natural rubber at 64,000 tonne, this would not lead to any shortage in the domestic market as the opening stock of rubber in April 2012 is projected at 2,30,000 tonne, the statement said.

Besides, the rubber consuming industry has entitlement to import more than 1,00,000 tonne of natural rubber through duty free channels, it added.

“Import and export of natural rubber for 2011-12 are projected at 1,70,000 tonne and 30,000 tonne, respectively.

Based on the above projections, the carryover stock at the end of March 2012 is projected at 2,30,000 tonne,” Mr Thomas said.

Mr Thomas noted that global rating agencies have cut the GDP growth forecasts of 2012 due to deepening economic strains in the euro-zone and fragilities elsewhere, while recovery in advanced countries is expected to begin only in the second half of 2012.

Despite the global economic uncertainties, natural rubber prices would not witness high volatility, she said.

Globally natural rubber production would decline in the coming months due to winter and dry season in major rubber growing regions.

Thus, tight world rubber supply position would continue irrespective of recent decline in rubber demand, she said.

As for India, it could have an increased demand in tandem with the expected economic growth. This will result in natural rubber stocks being almost consumed in the domestic market itself.

Coir exports set to touch Rs 1,000 cr this fiscal

Value of coir exports stood at Rs 807 crore last fiscal, according to the Department of Coir Development of Kerala.

ALAPPUZHA (KERALA), FEB 5:

Coir exports are likely to grow 24 per cent to Rs 1,000 crore in the current fiscal on growing demand from new markets like Russia and Latin America, the Kerala Minister for Coir, Mr Adoor Prakash, said today.

“We expect coir exports to touch Rs 1,000 crore in this fiscal owing to increasing demand from new markets like Russia, Africa and Latin America,” Mr Prakash told reporters here today on the sidelines of ‘Coir Kerala International Trade Fair’.

Value of coir exports stood at Rs 807 crore last fiscal, according to the Department of Coir Development of Kerala. The state accounts for 80 per cent of India's coir exports. The century old coir industry in Kerala employs about 3.5 lakh people.

Exports have grown at a healthy rate of over 20 per cent in the last nine months of this fiscal, Mr Prakash said. He, however, added that there is a demand slowdown in major markets like the US and Europe due to fragile economic recovery there.

The US and Europe account for about 72 per cent of the country's total outward shipments of the natural fibre.

On domestic sales, Mr Prakash said: "Our target is to expand the domestic market to Rs 4,000 crore in the next three-four years. It is quite achievable, if we put greater focus on creating awareness and marketing which is exactly what we are planning to do.''

In the current fiscal, revenues from the domestic market are likely to touch Rs 2,000 crore from Rs 1,600 crore last fiscal. Production is likely to touch 2.35 lakh tonnes this year.

The Department of Coir Development of Kerala is organising a six-day seminar from February 4-9. Over 100 delegates from about 35 countries, including those from West Asia, Europe, Africa and North America, would be participating.

During the 'Coir Kerala International Trade Fair', there would also be a global buyers and sellers meet.

Onion exports pick up after MEP cut

NEW DELHI, FEB 5:

Lowering of the minimum export price for onions to $150 a tonne recently has marginally increased India's outbound shipments of the kitchen staple, but traders feel the government should do away with the MEP completely to help the country hold sway in global markets.

"Reduction of export price to $150 per tonne has made Indian bulb competitive in the international market. Onion export from India has increased by about 10 per cent after this," Agriculture Export Association, Mumbai, President Mr Ajit Shah told PTI.

He said exports would further gain momentum when the markets of China and Singapore open after closure for the New Year.

Mr R P Gupta, Director of the National Horticultural Research Development Foundation (NHRDF), an arm of the Indian Council of Agricultural Research (ICAR), echoed similar views.

He said the international price of onion is also in the range of $150 a tonne.

Sources in agri-cooperative Nafed said India exported 1,20,649 tonnes of onions in the month of January, 362 tonnes more than in December.

The government had slashed the onion export price to $150 a tonne on January 11, 2011, from $250/tonne earlier.

The Gulf, Sri Lanka, Bangladesh, Russia, Europe, Mauritius, China and Singapore are the major markets for Indian onions.

However, farmers associations of Pimpalgaon and Lasalgaon in Nashik district of Maharashtra, the hub of onion cultivation in the country, are not happy with the cut and want the MEP to be done away with completely.

Dilip Rao Bankar and Jaydutt Sitaram Holkar, the Chairmen of the Agriculture Produce Marketing Committees of Pimpalgaon and Lasalgaon, respectively, said the export price should be totally abolished to help the country dominate the international market.

Food and Consumer Affairs Minister Mr K V Thomas had on January 31 this year favoured either the reduction or abolishment of the minimum export price (MEP) mechanism for basmati rice and onions.

The minister had said the issue would be discussed in the meeting of an Empowered Group of Ministers on Food headed by Finance Minister Mr Pranab Mukherjee scheduled on February 7.

India is the second-largest producer of onions in the world after China.

Onion exports from India declined by nearly 23 per cent in the first nine months of the current financial year vis-a-vis the previous fiscal, mainly due to the high MEP of $250 per tonne.

China and Egypt were enjoying an edge by selling the vegetable at less than $200 a tonne.
